

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

-----12 Civ. 5354 (KAM) (RLM)

INNOVATION VENTURES, LLC; LIVING
ESSENTIALS, LLC; and INTERNATIONAL
IP HOLDINGS, LLC,

**ANSWER OF DEFENDANT
ONE STOP LABEL
CORPORATION TO
SEVENTH AMENDED
COMPLAINT**

Plaintiffs

-against-

ULTIMATE ONE DISTRIBUTING CORP.;
GULAM NAJIMI, ET AL.

Defendants

ANSWER OF DEFENDANT ONE STOP LABEL CORPORATION
SEVENTH AMENDED COMPLAINT

Defendant, One Stop Label Corporation, by and through its attorney, Stanton Lee Phillips, Esq., as and for an Answer to the Seventh Amended Complaint, respectfully admits, denies, alleges and states as follows:

1. Denies having knowledge and information sufficient to form a belief as to the allegations set forth in Paragraphs 1 through 77 of the complaint.
2. Answering Paragraph 78 of the complaint herein, this answering Defendant admits that it is a California Corporation with its principle place of business at 1641 South Baker Avenue, Ontario, CA 91761.
3. Answering Paragraph 79 of the Third Party Complaint herein, this answering Defendant, on information and belief, admits that Defendant Leslie Roman is a resident of the

State of California. Except as otherwise expressly admitted hereat, this answering Defendant denies generally and specifically each, every and all of the remaining allegations of Paragraph 79.

4. Denies having knowledge and information sufficient to enable it to answer the allegations of Paragraph 80 based thereon denies generally and specifically each, every and all of said allegations.

5. Denies the allegations as contained in Paragraphs 81 through 88, generally and specifically. Denies having information and knowledge sufficient to enable it to respond to the allegations contained in Paragraph 89 of the complaint and based thereon denies generally and specifically each, every and all of said allegations.

6. Denies having knowledge and information sufficient to enable it to form a belief as to the allegations of Paragraph 90 of the Seventh Amended Complaint and based thereon denies generally and specifically each, every and all of said allegations.

7. Denies having knowledge and information sufficient to enable it to form a belief as to the allegations of Paragraph 91 and based thereon denies generally and specifically each, every and all of said allegations.

8. Denies having knowledge and information sufficient to form a belief as to the allegations contained in Paragraphs 92 through 95 of the Seventh Amended Complaint and based thereon denies generally and specifically each, every and all of said allegations.

9. Denies having knowledge and information sufficient to enable it to form a belief as to the allegations set forth in Paragraphs 96 through 110 of the Seventh Amended Complaint and based thereon denies generally and specifically each, every and all of the allegations therein contained.

10. Denies having knowledge and information sufficient to form a belief as to the allegations contained in Paragraphs 111 through 117 of the Seventh Amended Complaint and based thereon denies generally and specifically each, every and all of said allegations.

11. Denies having knowledge and information sufficient to form a belief as to the allegations contained in Paragraphs 118 through 126 of the Seventh Amended Complaint and based thereon denies generally and specifically each, every and all of said allegations.

12. Denies having knowledge and information sufficient to enable it to form a belief as to the allegations contained in Paragraphs 127 through 148 of the Seventh Amended Complaint herein and based thereon denies generally and specifically each, every and all of said allegations.

13. Answering Paragraph 149 of the Seventh Amended Complaint, this answering Defendant admits that Defendant Leslie Roman testified as is set forth in Paragraph 149 of the Seventh Amended Complaint. As to any allegations not admitted hereat, this answering Defendant denies generally and specifically each, every and all of said remaining allegations.

14. Answering Paragraphs 150 through 155, this answering Defendant denies having knowledge and information sufficient to form a belief as to those allegations and based thereon denies generally and specifically each, every and all of said allegations.

15. Answering Paragraph 156, the answering Defendant admits that the Defendant Leslie Roman testified that Defendant One Stop Label Corporation printed labels for Midwest. As to any remaining allegations of Paragraph 156 not otherwise admitted hereat, this answering Defendant denies generally and specifically each, every and all of said remaining allegations.

16. Answering Paragraph 157 of the Seventh Amended Complaint herein, this answering Defendant admits that between September 2011 and October 2012 it produced labels

in approximately the numbers alleged in Paragraph 157. This answering Defendant alleges that it did not know and could not reasonably have known the labels that it did produce were “counterfeit” or in any manner or fashion not specifically authorized by Plaintiffs or their agents. As to any remaining allegations of Paragraph 157 not specifically admitted or denied hereat, this answering Defendant denies generally and specifically each, every and all of said remaining allegations.

17. In answer to Paragraph 158 of the Seventh Amended Complaint herein, this answering Defendant admits that between June and October 2012, it received funds, wired to it, by Midwest, totalling approximately the sum set forth in Paragraph 158. As to any allegations of 158 not otherwise admitted hereat, this answering Defendant denies generally and specifically each, every and all of said allegations.

18. Answering Paragraph 159, this answering Defendant admits that it sold to Midwest a “shrink tunnel machine” and received payment for that machine from Midwest. As to any remaining allegations of Paragraph 159 not admitted hereat, this answering Defendant has neither information nor belief sufficient to enable it to respond to said allegations and based thereon denies generally and specifically each, every and all of said allegations.

19. Denies the allegations contained in Paragraphs 160 through 163 on lack of knowledge and information sufficient to enable it to form a belief to said allegations and based thereon denies generally and specifically each, every and all of said allegations.

20. Answering Paragraphs 164 through 251 of the Seventh Amended Complaint, this answering Defendant lacks knowledge or information sufficient to form a belief as to the allegations contained in said Paragraphs and based thereon denies generally and specifically each, every and all of said allegations.

21. Denies having knowledge and information sufficient to enable it to form a belief as to the allegations in Paragraphs 169 through 251 and based thereon denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO FIRST CLAIM FOR RELIEF

22. Answering Paragraph 252 of the Complaint herein, this answering Defendant repeats, repleads and realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials, and allegations as hereinabove contained responsive to Paragraphs 1 through 251 of the Seventh Amended Complaint.

23. Answering Paragraph 253, this answering Defendant denies generally and specifically, each, every and all of the allegations therein contained.

24. Answering Paragraph 254, this answering Defendant, for itself alone and none other, denies generally and specifically each, every and all of the allegations therein contained.

25. Answering Paragraph 255, this answering Defendant, for itself alone and none other, denies generally and specifically each, every and all of the allegations therein contained.

26. Answering Paragraph 256 of the Seventh Amended Complaint, this answering Defendant has neither information nor belief sufficient to enable it to respond to the allegations therein contained and based thereon denies generally and specifically each, every and all of said allegations.

27. Answering Paragraph 257, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO SECOND CLAIM FOR RELIEF

28. Answering Paragraph 258 of the Seventh Amended Complaint, this answering Defendant repeats, repleads, and realleges and incorporates by reference as though set forth in

full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

29. Answering Paragraph 259 of the Complaint herein, this answering Defendant denies generally and specifically, each, every and all of the allegations therein contained.

30. Answering Paragraph 260, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

31. Answering Paragraph 261, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

32. Answering Paragraph 262, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

33. Answering Paragraph 263, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO THIRD CLAIM FOR RELIEF

34. Answering Paragraph 264 of the Seventh Amended Complaint herein, this answering Defendant repeats, repleads, and realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials, and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

35. Answering Paragraph 265, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

36. Answering Paragraph 266, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

37. Answering Paragraph 267, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

38. Answering Paragraph 268, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

39. Answering Paragraph 269, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

40. Answering Paragraph 270, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

41. Answering Paragraph 271, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO FOURTH CLAIM FOR RELIEF

42. Answering Paragraph 272 of the Complaint herein, this answering Defendant repeats, repleads, and realleges and incorporates by reference as though set forth in full hereat, each, every and all its admissions, denials and allegations hereinabove contained responsive to Paragraphs 1 through 251 as though fully set forth hereat.

43. Answering Paragraph 273, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

44. Answering Paragraph 274, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

45. Answering Paragraph 275, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

46. Answering Paragraph 276, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

47. Answering Paragraph 277, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO FIFTH CLAIM FOR RELIEF

48. Answering Paragraph 278, this answering Defendant repeats, repleads, and realleges each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251 of the Seventh Amended Complaint as though fully set forth hereat.

49. Answering Paragraph 279, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

50. In answer to Paragraph 280, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

51. In answer to Paragraph 281, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

52. In answer to Paragraph 282, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

53. In answer to Paragraph 283, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

54. In answer to Paragraph 284, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO SIXTH CLAIM FOR RELIEF

55. Answering Paragraph 285 of the Seventh Amended Complaint herein, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

56. Answering Paragraph 286, denies having knowledge and information sufficient to enable it to form a belief as to the allegations in Paragraphs 169 through 251 and based thereon denies generally and specifically each, every and all of the allegations therein contained.

57. Answering Paragraph 287, this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

58. Answering Paragraph 288, this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

59. Answering Paragraph 289, this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

60. Answering Paragraph 290 this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

61. Answering Paragraph 291, this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

62. Answering Paragraph 292, this answering Defendant for itself alone and none other denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO SEVENTH CLAIM FOR RELIEF

63. Answering Paragraph 293, of the Seventh Amended Complaint herein, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

64. Answering Paragraph 294, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

65. Answering Paragraph 295, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

66. Answering Paragraph 296 , this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

67. Answering Paragraph 297, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

68. Answering Paragraph 298, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

69. Answering Paragraph 299, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

70. Answering Paragraph 300, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

71. Answering Paragraph 301, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO EIGHTH CLAIM FOR RELIEF

72. Answering Paragraph 302, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251 of the Seventh Amended Complaint.

73. Answering Paragraph 303, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

74. Answering Paragraph 304, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

75. Answering Paragraph 305, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

76. Answering Paragraph 306, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

77. Answering Paragraph 307, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

78. Answering Paragraph 308, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO NINTH CLAIM FOR RELIEF

79. Answering Paragraph 309, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

80. Answering Paragraph 310, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

81. Answering Paragraph 311, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

82. Answering Paragraph 312, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

83. Answering Paragraph 313, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

84. Answering Paragraph 314, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO TENTH CLAIM FOR RELIEF

85. Answering Paragraph 315, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

86. Answering Paragraph 316, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

87. Answering Paragraph 317, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

88. Answering Paragraph 318, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

89. Answering Paragraph 319, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

ANSWER TO ELEVENTH CLAIM FOR RELIEF

90. Answering Paragraph 320 of the Seventh Amended Complaint herein, this answering Defendant repeats, repleads, realleges and incorporates by reference as though set forth in full hereat, each, every and all of its admissions, denials and allegations as hereinabove contained responsive to Paragraphs 1 through 251.

91. Answering Paragraph 321, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

92. Answering Paragraph 322, this answering Defendant denies generally and specifically each, every and all of the allegations therein contained.

FIRST AFFIRMATIVE DEFENSE

93. As and for a first, separate and affirmative defense, to the claims of Plaintiffs herein directed to this answering Defendant, this answering Defendant alleges Plaintiffs have failed to set forth claims upon which relief can be granted against the Defendant One Stop Label Corporation.

SECOND AFFIRMATIVE DEFENSE

94. As and for a second, separate and affirmative defense, to each, every and all of Plaintiffs claims for relief directed against this answering Defendant, this answering Defendant alleges that to the extent it caused labels to be printed, such labels as printed by this answering Defendant were printed by this answering Defendant without knowledge or any reason to believe that they were other than legitimate labels as approved and authorized by the Plaintiffs. As such, Plaintiffs are not entitled to damages against this answering Defendant but are entitled to injunctive relief which they have already received and which has been agreed to by this answering Defendant. As an innocent, unknowing, non-willful infringer of the marks or property of the Plaintiffs, this answering Defendant is not subject to an award of damages against it in accordance with applicable trademark and related law.

WHEREFORE, this answering Defendant, One Stop Label Corporation demands that the complaint, in its entirety, be dismissed against it, for judgment on all such claims Plaintiffs have pleaded or as they may have against this answering Defendant and for such other and further relief as to this Court appears just and proper.

Dated: Beverly Hills, California
April 1, 2013

Respectfully submitted,

Stanton Lee Phillips, Esq.
Attorney for Defendant
One Stop Label Corporation

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